GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Agriculture & Cooperation Department -Procurement of 20.00 million kg HD BRG Tobacco by AP MARKFED in RMS 2024-25 - Sanction of Rs.273.17 Crore (Rs.240.00 crore for farmer payments at 120/kg and Rs.33.17 crore for incidental costs) and 100 crore as advance release - Accorded- Orders - Issued.

AGRICULTURE & COOPERATION (MKTG-III) DEPARTMENT

G.O.RT.No. 566 Dated: 09-07-2025

Read:

From Director of Agriculture/DoAM/ MD, AP Markfed, e file Comp.No.2812015.

ORDER:

In the circumstances reported by the Managing Director, A.P.Markfed, Vijayawada in the reference read above, Government after careful examination hereby considered the request of Managing Director, A.P.Markfed, Vijayawada and accorded permission to procure 20.00 million kg of HD BRG tobacco in the first instance, as an intervention strategy to stabilize the market and protect farmer's interests in RMS 2024-25 in the state, and Sanction Rs.273.17 Crore towards farmer payments (Rs.240.00 Crore, @120/kg) and incidental costs (Rs. 33.17 Crore) and release an amount of Rs.100.00 Crore as advance, with the modalities/ instructions prescribed below:

Modalities:

HD BURLEY 2025 PROCUREMENT - GRADE WISE PRICE (Rs/Kg)		
Buying Grade	Quality Description	price in Rs.
HDR	Bodied Leaf, Tan in Color, Mature Tobacco, Clean & Pliable	120/-
HDM	Medium Bodied Cutters, Light Tan in Color, Ripe Tobacco, Clean & Pliable	90/-
HDX	Thin Bodied, Buff in Color, Over Ripe Tobacco, Admixture with Primings.	60/-

2. Farmer registration has been enabled via CMAPP through API integration with the Agriculture Departments APAIMS app, facilitated by VAAs.

3. Pooling of necessary staff from the Agricultural Marketing Department and Agriculture Department on a need basis.

4. Formation of the Joint Venture Committee (JVC) with the nominated members.

5. The classification and grading norms, category-wise ceilings, and remunerative price points as recommended by the JVC.

6. Engagement of PACS as Procurement Support Agencies, on the same terms as PSS of GoI.

7. Constitution of District Level Procurement Committees (DLPCs), to be headed by the respective Joint Collectors with representation from all relevant departments.

8. Instruction to Agriculture department to ensure alternative crops to HDBRG are sown upcoming season to prevent glut in marketing & further drop in prices.

Instructions:

a. Maintain strict accounting of procurement quantities, farmer payments, and incidental costs.

b. Submit quarterly reports on progress and utilization of funds to Finance Department.

c. Develop a long-term market strategy to reduce reliance on government-funded procurement and address demand-supply mismatches in future crop cycles.

2. The Managing Director, A.P.Markfed, Vijayawada shall take further necessary action accordingly.

3. This order issued with the concurrence of Finance(FMU.A&C, AHDDF & CS) Dept., vide their U.O.No:FIN01-FMU0PC(AC)/21/2025-FMU-AC-CS-AH, (C.No: 2874195), Dt:09.07.2025.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

B.RAJSEKHAR
EX-OFFICIO SPECIAL CHIEF SECRETARY TO GOVERNMENT

To
The Managing Director, AP MARKFED, Vijayawada.
The Director of Agricultural Marketing, A.P.,Guntur.
The Commissioner of Agriculture, A.P., Guntur.
Copy to:
The Finance Department, A.P. Secretariat.
The GA(Cabinet-II)Department, A.P. Secretariat,
(w.r.t.U.O.Note No.237/2025, Dt:24.06.2025)
The PS to Secretary to Hon'ble C.M., A.P.Secretariat.
The PS to Hon'ble Minister(Agriculture, Marketing &Cooperation).
The PS to Ex-Officio Special CS to Government(Agri, Mark & Coop.)
SC/SF.

//FORWARDED: : BY ORDER//

SECTION OFFICER